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Smoked salmon tops charts

Stonington Sea Products celebrates first anniversary with high rating

By Linda Nelson

STONINGTON – David Rosengarten writes a highly respected food report for the country's best restaurants. In his November 26, 2001, issue, he selected Stonington Sea Products as one of the "three most spectacular smoked salmon companies" in the nation.

The honor coincided with the company's first anniversary.

"This has been a real learning year", said General Manager Richard Penfold during a recent tour of the plant and interview. "It took us a while to know where we were going with the smoked product, to develop a line and sophisticated pricing.

According to company president Richard Howe, Stonington Sea Products was conceived by a group of local investors who bid on Stonington's former sardine factory. They lost the bid, however, to the Isle au Haut Boat Company.

Both Howe and board member Ron Steagall identified the investors' original goal as the revival of Stonington's seafood processing business: to create a sustainable island industry and year-round employment, with benefits, for a dozen or more people.

"The real motivation is to create jobs here", Howe said in a recent interview. "The idea was to make an investment in an idea we think is viable: this is not venture capital, no one is going to get rich here."

The broad goal of seafood processing was more precisely defined with the arrival of Penfold who moved to Deer Isle from the Shetland Islands off Scotland. Scotland is world-renowned for its smoked fish, and Penfold, a self-proclaimed "fish man" brought the core knowledge for many of Sea Products' recipes with him.

He also brought a Scottish kiln, the oven which is used to smoke the fish. The kiln is used to process everything from cold-smoked salmon, which requires more than 15 hours of smoking; to traditional finnan haddock and hot roasted smoked mussels which take only an hour. The plant also dry-cures with salt and brine-cures seafood.

Penfold cites the kiln – which "goes back to older technology than most people are using these days" and smokes the fish more slowly, keeping it moister, than newer technology – as one of the primary reasons for the company's early recognition. Rosengarten waxed poetic on these very qualities of Sea Products' salmon: "The way the rich finish extends in your mouth, you can't believe it's not butter", he wrote in his glowing review.

He idea is to have a seafood processing plant that is devoted to the highest quality seafood: no mass commodification", Howe stated. "Stonington has a national reputation, a name that is recognized in California for premier seafood. We'd like Stonington Sea Products to be part of that".

According to Penfold, the company's emphasis is and will continue to be the hand-crafting involved in its products. The plant was built specifically to enable it to smoke to order, and Penfold is individually training the fish cutters and smokers. "Glenn Snelling has become a very good smoker", he said, citing just one of several staff accomplishments. Penfold also pin-bones the fish by hand, not machine, and says, "We handle things very beautifully here, very sensitively".

Penfold noted that the care the company takes with its fish prohibits him from buying salmon from Maine fish farms. "They're messing it up on the processing end", he stated, citing examples of badly cut and bruised and incorrectly graded fish. The company purchases its salmon from New Brunswick. "We really need to get fish from real professional harvesters and processors. It can't be soft or bruised.

He points out that this is the major difference between his company's product and that of competitors, such as Duck Trap Farms. "Duck Trap started as a small, hand-crafted, smoked-to-order company like us. Then they decided to go big, and cut their ties to the kind of hand-crafted product we're turning out". He estimates that Duck Trap, which was recently purchased by a large Canadian conglomerate, now employs approximately 120 people.

There are currently nine full-time employees at Stonington Sea Products. The plant is "shellfish certified", which means they are licensed to shuck all shellfish, break them down, and put their own label on it.

"It's an exciting company", said employee Cindy Brooks of Orrington. "We're always trying to break into different markets, from restaurants to mail order to placement in retail markets. As soon as the restaurant business slowed down after September 11 we got right to work on figuring out our shipping prices".

Penfold was the author of the business plan and designed much of the plant himself. He is proud of the conservation and processing innovations included in these plans. The plant features a blast freezer, which uses wind chill to speed the the freezing process, and a heat reclamation system. It is designed to be as water and energy efficient as possible. While it was designed with a water capacity of 750 gallons of water usage per day, it is averaging only 450 gallons of water usage per day, with a maximum use of 550 gallons.

During the plant's planning stage, Stonington residents raised concerns, which the company has taken pains to address, in regard to the creation of a manufacturing site in town. According to both Penfold and town officials, the plant needed to meet four criteria:

- The plant must be aesthetically pleasing, not "a dirty old fish factory";
- The plant must contain any problematic odors;
- The plant must be extremely water efficient, due to its marshy location on the edge of Stonington's watershed district; and
- The plant must not emit noise pollution.

Penfold believes the company has performed very well on the first three issues, and notes they are still working on the fourth. In mid-November, neighbors Kyra Alex and Renée Sewall appeared before the Stonington selectmen to discuss ongoing problems with noise from the plant's rooftop fans.

Alex said in a follow-up interview that the fan is her only complaint. "It makes an invasive hum", she said. "Because of the pitch, we hear it in the house with the windows closed". She said the company has been responsive to their concerns, but hasn't yet succeeded in eliminating the noise. "They've been great", she said, "but not successful". Alex, Sewall, and the selectmen discussed several possibilities for containing the noise, including the possible need to relocate the fans on the ground.

The Stonington Water Company was originally concerned about the protection fo the town's watershed and also about protecting the company's own water supply from MTBE's which had been discovered in nearby wells. With the direction of water company superintendent Roger Stone, Sea Product's relocated its leach field. "They were very good about working with us, and we got it the best we could do. They did some really good things in terms of water filtering and containment. Only time will tell", Stone said in a recent interview.

"The facility was put up without any help whatsoever from local, state, or national sources", Howe pointed out. "Bangor Savings was the only area bank willing to step up and do a financing in seafood processing on the Island".

The company, along with all of the state's fisheries, has been affected by the September 11 tragedy. "We're having trouble moving crab right now", Penfold said, shaking his head. "It seems as if New York City and Washington, D.C., drove those markets to some extent". He said that crabmeat is key to the company's sustainability because of the flexibility it gives the company to utilize full-time staff year-round.

Penfold has focused Sea Product's goals for the cominy year on marketing the smoked products. One of the biggest surprises for both Penfold and the investors has been the company's quick success in the fresh fish market, where they move nearly 700 lbs of fish per week. The company's revenues remain strongly weighted toward the sale of fresh fish, with only 30 percent of sales coming from the smoked product line.

"We've performed well in terms of total sales and that's been very encouraging", Penfold said. "Now we need to become more efficient in terms of what we're doing. The smoked product has much more dependable and higher margins than fresh fish, which is more dependent on seasonality and market pricing".

He outlined a three-pronged strategy for 2002:

- FedEx and UPS ground service for custom orders to restaurants;
- Establishing and maintaining an alliance with one or more regional gourmet food outlets; and
- Expanding the mail order business

To accomplish these goals, Penfold is working to upgrade the company's packaging to make it both more useful and attractive. The company also has had a broker marketing its product to New England restaurants with a very good success rate.

"That seems to be where we'll continue to do best", Penfold noted. "UPS ground has a very good service in the five states contiguous to Maine, and that provides us with a good target market".

"The local restaurants have been very supportive", Howe said. "They like the product, they like the service".

Penfold is a fish man on an island on which fish is king, and his obvious passion and the company's talented and dedicated staff are fueling its early successes. "You come in Saturday and you sharpen knives and you start cutting fish and you cut so many different kinds of fish: salmon and skate and wooden cases of halibut from Canada; tuna and these 250 lb swordfish", Penfold said. "We get some incredible fish through here".